

Message Text

LIMITED OFFICIAL USE

PAGE 01 LAGOS 06453 091548Z

53

ACTION AF-18

INFO OCT-01 ADP-00 L-03 PA-03 PRS-01 USIA-15 AID-20

CIAE-00 COME-00 EB-11 FRB-02 INR-10 NSAE-00 RSC-01

TRSE-00 XMB-07 OPIC-12 CIEP-02 OMB-01 RSR-01 /108 W
----- 046075

R 091432Z AUG 73

FM AMEMBASSY LAGOS
TO SECSTATE WASHDC 575

LIMITED OFFICIAL USE LAGOS 6453

E.O. 11652: N/A

TAGS: EFIN NI

SUBJECT: BANKERS TRUST'S PLANFFTO EXPAND OPERATIONS IN NIGERIA

1. BEGIN SUMMARY: REPRESENTATIVE OF BANKERS TRUST DISCLOSES PLANS TO ESTABLISH REPRESENTATIVE OFFICE IN LAGOS IN OCTOBER 1973 AS WELL AS EXPLORE POSSIBILITY OF LAUNCHING MERCHANT BANKING SERVICE IN NIGERIA. END SUMMARY

2. IN AUGUST 7 DISCUSSION WITH EMBOFFS, BANKERS TRUST'S (B/T) ASSISTANT TREASURER, A. VAN AGTMAEL, EXPLAINED THAT B/T HAS CHANGED ORIGINAL PLANS TO ASSIGN B/T OFFICER TO UNITED BANK FOR AFRICA, A NIGERIAN BANK IN WHICH B/T HOLDS A MINORITY INTEREST. PRESENT PLANS CALL FOR ESTABLISHING IN LAGOS A B/T REPRESENTATIVE OFFICE TO BE STAFFED BY A SINGLE B/T OFFICER FROM NEW YORK HEAD OFFICE. GOAL OF THIS RESIDENT REPRESENTATIVE WILL BE TO IDENTIFY FINANCING OPPORTUNITIES IN NIGERIA FOR B/T ITSELF, RATHER THAN UBA. REP WOULD ALSO SERVE AS REGIONAL REP OF B/T IN AFRICA. TARGET DATE FOR ESTABLISHING OFCICE IS OCTOBER 1973.

3. VAN AGTMAEL NOTED THAT FORMAL APPROVAL FOR B/T REGIONAL REP OFFICE HAS NOT YET BEEN RECEIVED FROM FMG, BUT WAS CONFIDENT THAT APPROVAL WILL BE FORTHCOMING. BANFROF TOKYO SET A PRECEDENT ONE YEAR AGO IN ESTABLISHING A ONE MAN REP OFFICE IN LAGOS, AND IN

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LAGOS 06453 091548Z

INFORMAL DISCUSSIONS WITH VAN AGTMAEL, CENTRAL BANK GOVERNOR AND

CHIEF BANK EXAMINER APPROVED IN PRINCIPLE REP OFFICE APPROACH.

4. B/T IS ALSO EXPLORING POSSIBILITY OF ESTABLISHING A MERCHANT BANKING OPERATION IN NIGERIA, BUT PLANS ARE STILL VERY TENTATIVE. QUESTIONS ON SUITABILITY OF NIGERIAN MARKET AND B/T PERSONNEL AVAILABILITIES REMAIN TO BE ANSWERED, BUT DISCUSSIONS WITH BANKING AUTHORITIES HAVE ENCOURAGED B/T TO BELIEVE OFFICIAL APPROVAL WOULD BE GRANTED.

5. CONFIDENTIALITY OF B/T'S PLANS TO ESTABLISH REP OFFICE AND POSSIBLY SET UP MERCHANT BANKING OPERATION SHOULD BE RESPECTED UNTIL SUCH TIME AS B/T MAKES PUBLIC ANNOUNCEMENT.

6. COMMENT: IN RECENT CONVERSATION WITH US, CENTRAL BANK GOVERNOR SAID THAT, ALTHOUGH NOT YET ANNOUNCED PUBLICLY, AUTHORIZATION HAD BEEN GRANTED TO BRITISH FIRM, UNITED DOMINIONS' TRUST CO., TO CONDUCT MERCHANT BANK OPERATION IN NIGERIA. HE ADDED THAT FMG WOULD WELCOME OTHER APPLICATIONS BY EXPATRIATE BANKS TO ESTABLISH "SPECIALIZED BANKING FUNCTIONS" LIKE MERCHANT BANKING. ALTHOUGH NOT RULING OUT POSSIBILITY ADDITIONAL AUTHORIZATIONS FOR EXPATRIATE COMMERCIAL BANKING OPERATIONS, HE INDICATED BELIEF THAT NIGERIA'S COMMERCIAL BANKING NEEDS ARE CURRENTLY REASONABLY WELL SATISFIED. SONEWHAT PARADOXICALLY, HOWEVER, HE ALSO COMPLAINED ABOUT LACK OF REAL COMPETITION AMONG EXISTING COMMERCIAL BANKS.

REINHARDT

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 09 AUG 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: elyme
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973LAGOS06453
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: LAGOS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730848/aaaabjqq.tel
Line Count: 87
Locator: TEXT ON-LINE
Office: ACTION AF
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: elyme
Review Comment: n/a
Review Content Flags:
Review Date: 07 NOV 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07-Nov-2001 by martinml>; APPROVED <05-Dec-2001 by elyme>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: BANKERS TRUST'S PLANFFTO EXPAND OPERATIONS IN NIGERIA
TAGS: EFIN, NI
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005